

## TRAINING MODULE 8

### STUDY PLAN

# Dependency and Indemnity Compensation (DIC)

#### Objective:

To learn how to assist a claimant to submit a claim for Dependency and Indemnity Compensation (DIC), and to become familiar with the requirements for such claims.

#### References:

Title 38, U.S. Code, Chapter 13.

38 Code of Federal Regulations, Part 3.

Adjudication Manual M21-1, Part I, Appendix B; Part IV

Adjudication Manual M21-1MR (Manual Rewrite), Part IV, Subpart iii; Part V; Part VIII.

VA Pamphlet 80-06-01, *Federal Benefits for Veterans and Dependents*.

#### Instructions:

Study the assigned reference materials to learn the requirements for DIC claims. If the claim is for a surviving parent, pay special attention to the income information in the application, as that will be a major portion of the development of the claim.

#### Summary:

**D**EPENDENCY AND INDEMNITY COMPENSATION (DIC) IS THE PRIMARY MONTHLY monetary benefit payable to the surviving dependents of a deceased veteran, and is the equivalent benefit to disability compensation for veterans. Although it is usually a service-connected benefit, DIC may also be authorized for certain nonservice-connected deaths, as well. There is no minimum active duty service requirement for DIC claims; however, there may be a 90-day length of service requirement if the cause of death was a chronic disease (as defined, see 38 CFR §§ 3.307(a)(1) and 3.309(a)) and the issue was not addressed during the veteran's lifetime.

From time to time you may still come across a surviving dependent in receipt of death compensation. This is the predecessor benefit to DIC, and was generally payable under the same conditions as DIC. From 1957 on, DIC was the benefit payable in nearly all cases, although up to 1972 there were certain circumstances where death compensation could be authorized. Death compensation cases are protected at their current levels so long as the claimant continues to meet eligibility requirements. As a result, unless the claimant elects to change to DIC additional amounts such as for aid and attendance are not payable.

## 1. DIC for Surviving Spouse, Children:

**A**S WITH DISABILITY COMPENSATION FOR A VETERAN, DIC FOR A SURVIVING SPOUSE and/or children is not income-based. It is the benefit payable if the veteran died while on active duty, in line of duty and not due to willful misconduct; or, when death was after service, if a service-connected disability either directly caused, or contributed substantially to and materially hastened, the veteran's death. It is not required that service connection have been established prior to the veteran's death for the condition which caused or contributed to death. The rules and procedures for establishing service connection for a veteran's death are essentially similar to those for establishing a service-connected disability for a living veteran, with due consideration of the finality of the evidence in a death claim. The application for DIC for a surviving spouse and/or children is VA Form 21-534, *Application for Dependency and Indemnity Compensation, Death Pension and Accrued Benefits by a Surviving Spouse or Child* (see the sample application on pages 6-6 through 6-13). **Note**—DIC claims from survivors of veterans who die on active duty are now under exclusive jurisdiction of VAROIC Philadelphia, Pennsylvania.

Since 1978, DIC has been payable *as if* the death were service-connected when a veteran who had been rated totally disabled from service-connected causes (whether 100% or by reason of individual unemployability) for ten continuous years or longer at the time of death dies from any cause other than willful misconduct. If the veteran was out of service less than ten years, DIC is payable if a total disability rating was in effect for a period of at least five continuous years, from the date the veteran left service to the date of death. Since November 30, 1999, DIC is payable to the surviving spouse and/or child of a former prisoner of war who was rated totally disabled from service-connected causes for at least one year at the time of death, and who died from any cause (other than willful misconduct) after September 30, 1999. [38 USC 1318]

Finally, DIC is also payable *as if* the death were service-connected, if the veteran dies as a result of VA examination, hospital care, medical or surgical treatment, Vocational Rehabilitation, or, since November 1, 2001, a program of Compensated Work Therapy under 38 USC 1718; or if a disability arising from such circumstances either directly causes, or contributes substantially to and materially hastens, the veteran's death. In this case, however, DIC is the *ONLY* benefit available; there are no ancillary benefits such as Loan Guaranty, health care coverage, or education assistance. Again, the rules and procedures for establishing a qualifying compensable event are similar to those for a living veteran. [38 USC 1151]

DIC rates payable for a surviving spouse and/or children are dependent on a number of factors, including when the veteran died and the number and status of any dependent children. If the veteran died on or after January 1, 1993, there is a basic rate payable for the surviving spouse, plus an enhanced rate if the veteran had been rated totally disabled and was in receipt of compensation, or was entitled to receive compensation, for eight continuous years or longer at the time of death. The phrase "entitled to receive compensation" also means that if a total disability rating had been denied during the veteran's lifetime, the denial was either due to clear and unmistakable error (CUE), or new and material evidence in the form of additional relevant service records was submitted (either before or after the veteran's death) which would allow retroactive assignment of a total disability rating for the requisite period of time. [38 CFR § 3.10(f)] The enhanced rate would not be payable if the spouse was not married to the veteran for the entire eight-year period or if the veteran had not applied for benefits (or if the veteran was out of service less than eight years at the time of death).

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If the veteran died before January 1, 1993, the rate for the surviving spouse is based on the highest pay grade attained by the veteran while on active duty, *or* the basic/enhanced rates described above, whichever is the greater.

Additional amounts are also payable to or for a disabled surviving spouse who is housebound or who is in need of regular aid and attendance, as set out in 38 CFR § 3.351. Beginning January 1, 2005, a surviving spouse with one or more children under age 18 will be paid an additional \$250 per month for a transitional period of 24 months from the date entitlement to DIC begins or until the last child reaches age 18, whichever occurs first. This amount is in addition to any other DIC rates payable to the surviving spouse.

If there is an eligible surviving spouse, the veteran's minor children are considered to be additional dependents on the spouse's award. If the children are in the spouse's custody, they are included on the spouse's basic award. A child not in the spouse's custody will be paid his or her share of DIC on a separate award. Regardless of custody, each child is permanently removed as a dependent from the spouse's award upon reaching age 18.

If the veteran was entitled to military retired pay and had contributed to the Survivor Benefit Plan (SBP) during his or her lifetime, the surviving spouse may not be concurrently paid both DIC and the full amount of SBP. If the SBP is more than the DIC rate, the SBP is reduced by an amount equal to the DIC rate. If the DIC rate is greater than SBP, the SBP is discontinued and any unpaid amounts remaining are refunded to the surviving spouse. These rules do not apply to SBP for children—payment of DIC to or for a child is independent of and does not affect any SBP payable to or for that child.

If there is no eligible surviving spouse, there are specified rates for the veteran's children, in equal shares, up to the time of each child's 18th birthday. Upon reaching age 18, each child attains independent entitlement to DIC without regard to whether there is an eligible surviving spouse. DIC may only be paid to or for a child after age 18 if the child is attending an approved educational institution or is determined to be permanently incapable of self-support (helpless). DIC for school attendance may not be paid concurrently with Dependents' and Survivors' Education Assistance under 38 USC, Chapter 35; however, if the child has been found to be "helpless" there is no bar to concurrent payment, since in this case the DIC is not paid because of school attendance.

An eligible surviving spouse may simultaneously be paid both DIC and Dependents' and Survivors' Education Assistance under 38 USC, Chapter 35 (see Training Module 16). When DIC has been (or will be) awarded under either 38 USC 1318 or 38 USC 1151, if any beneficiary is awarded any amount from a judicial proceeding, settlement, or compromise by reason of the veteran's death, DIC payments to or for that beneficiary must be withheld until the full amount of such award has been recovered. This does not apply to Social Security or Workman's Compensation benefits, even though they may have been awarded by judicial proceedings.

All of the various DIC rates are set out in Adjudication Manual M21-1, Part I, Appendix B.

## 2. Parents' DIC:

**D**IC MAY BE PAYABLE TO A VETERAN'S SURVIVING PARENT(S) IF THE VETERAN'S DEATH is service-connected or is compensable under 38 USC 1151. There is no eligibility for parents' DIC under 38 USC 1318. Parents' DIC is income-based—the income limits are spelled out in 38 USC 1315. The income limits are adjusted periodically; the adjusted limits are published in the “Notices” section of the *Federal Register*, and are listed in Adjudication Manual M21-1, Part I, Appendix B. All of the parents' family income from all sources is counted unless specifically excluded. Specific categories of countable and excludable income are discussed in 38 CFR §§ 3.260 and 3.261. Categories of excluded and/or excludable income are also discussed in 38 CFR § 3.362. More complete information is given in M21-1, Part IV, Chapter 16, **Income and Net Worth**, Subchapter III, **Parents' DIC**. Medical and certain other expenses, paid by the parent and/or family and not reimbursed from any source, may be *deducted* from otherwise countable income to reduce the levels used for determining pension rates payable. See Module 8, Section 2, **Deductible Expenses**, for further information.

The application for parents' DIC is VA Form 21-535, *Application for Dependency and Indemnity Compensation by Parent(s)* (see the sample application on pages 6-14 through 6-16). DIC claims from surviving dependent parents of veterans who die while on active duty are under the initial jurisdiction of VAROIC Philadelphia, Pennsylvania; all others are processed by the VA Regional Office which would have jurisdiction based on the veteran's address at time of death, or the Regional Office having jurisdiction for the address of the surviving spouse and/or children (if any). Once the award is in a running status, jurisdiction of parent's DIC cases transfers to the Pension Maintenance Center (PMC) for the parent's address.

A parent's marital status is not a factor in eligibility, but does affect the applicable income limit(s): there are different income limits according to whether one or both parents survive, and if both, whether they are married to each other or have or have not remarried. Net worth is not a factor for parents' DIC.

Additional amounts are payable if one or both parents are in need of aid and attendance. If the amount of the total annual benefit payable is less than 4% of the maximum rate, payments will be made semi-annually unless monthly payments are specifically requested. When DIC has been (or will be) awarded under 38 USC 1151, if either parent is awarded any amount from a judicial proceeding, settlement, or compromise by reason of the veteran's death, DIC payments to or for that parent must be withheld until the full amount of such award has been recovered.

## 3. General Dependency Information:

**I**T IS NOT REQUIRED THAT A DEPENDENT HAVE BEEN RECOGNIZED PRIOR TO THE VETERAN'S death. The regulations specifying the evidence requirements for dependents are given in Training Module 3. Note that in certain cases there are time limits for recognition of a surviving spouse for benefits purposes: in general, when the marriage occurred *after* service, the surviving spouse must have been married to the veteran for at least one year prior to the veteran's death, or for any length of time if a child was born of the marriage or was born to them before the marriage. [38 CFR § 3.54(c)(2), (3)] Alternatively, for service-connected deaths only, the marriage may have been for any length of time if it took place within fifteen (15) years after the end

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of the period of service during which the condition which caused or contributed to the veteran's death was incurred or aggravated. (For example, for a Vietnam-era veteran, the marriage would have to have been before May 7, 1990, fifteen years after the end of the Vietnam Era.) [38 CFR § 3.54(c)(1)] There are *no* length of marriage requirements if the marriage occurred while the veteran was in service, or before service, or if a married servicemember dies while on active duty. [38 CFR § 3.54]

Even if the marriage between the surviving spouse and the veteran cannot be recognized for VA purposes because of some legal impediment, it may still be “deemed valid” for VA benefits purposes providing several requirements are all met:

1. The purported marriage occurred one year or more before the veteran died, or existed for any length of time if a child was born of the purported marriage or was born to them before such marriage;
2. The claimant entered into the marriage without knowledge of the impediment;
3. The claimant continuously cohabited with the veteran from the date of the marriage to the date of the veteran's death; and
4. No claim has been filed by a legal surviving spouse who has been found entitled to gratuitous death benefits (other than accrued monthly benefits covering a period prior to the veteran's death). [38 CFR § 3.52]

If the veteran and the surviving spouse had lived in a common-law relationship, then even if such relationship was not legally recognized in their state of residence, it also may still be “deemed valid” for VA benefits purposes if all of the above requirements are satisfied.

Remarriage of a surviving spouse generally terminates eligibility for DIC. Eligibility may be re-established if the remarriage is terminated by death, divorce, or annulment. Beginning January 1, 2004, a surviving spouse age 57 or older who is eligible for DIC and related benefits and who remarries will not lose any eligibility because of such remarriage. [38 CFR § 3.55(a)]

A claim for DIC by any class of dependent is **ALWAYS** also a claim for death pension for a surviving spouse and/or children if DIC is denied, if the service and income requirements are satisfied, as well as **ALWAYS** being a claim for any available accrued benefits. In general, if a surviving spouse qualifies for both DIC and death pension, DIC will be awarded as the greater benefit. However, the surviving spouse may elect to receive death pension instead if it is to the spouse's advantage, even though it is a lesser benefit. [38 CFR §§ 3.152(b); 3.702(d)(2)]

Accrued benefits includes any claim (whether formal, informal, or inferred) for a recurring benefit that was pending and unresolved at the time of the veteran's death; or any recurring benefit that was due but not paid at the time of the veteran's death, such as when a claim was approved but the veteran died before the initial check was issued; or there were unnegotiated or non-negotiated checks. If the accrued benefit is based upon a claim pending at the time of the veteran's death, all of the evidence necessary for a favorable decision must have been in file on the date of the veteran's death. For this purpose, the term “in file” means the evidence was in VA, in VA's possession, even if it was not physically in the veteran's claims file on that date.

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If more than one class of dependents applies, the order of precedence for accrued benefits is (1) surviving spouse; (2) children (in equal shares); and (3) parents (in equal shares). If there are no eligible (or potentially eligible) survivors, any accrued amounts available are only payable as reimbursement to the person or entity who paid the costs of the veteran's final illness, funeral and burial. Previously, payment of retroactive benefits as accrued was limited to two years prior to the month of death; Public Law 108-183 removed this restriction for veterans who died on or after December 16, 2003. [38 CFR § 3.1000]



**Department of  
Veterans Affairs**

**SAMPLE COPY**

Application for Dependency and Indemnity Compensation, Death Pension and Accrued Benefits by a Surviving Spouse or Child (including Death Compensation if Applicable)  
VA Form 21-534

OMB Approved No. 2900-0004  
Respondent Burden: 1 hour 15 minutes

VA DATE STAMP  
(DO NOT WRITE IN THIS SPACE)

Please read the attached "General Instructions" before you fill out this form.

<b>SECTION I</b>  <b>Tell us what you are applying for and what you and the deceased veteran have applied for</b>	1. Did the veteran ever file a claim with VA? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No    (If "Yes," answer Item 2)	2. What is the VA file number? <u>11 555 000-00</u>
	3. Has the surviving spouse or child ever filed a claim with VA? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No    (If "Yes," answer Items 4 through 6)	4. What is the VA file number? <u>N/A</u>
	5. What is the name of the person on whose service the claim was filed? <u>N/A</u> First Middle Last	
	6. What is your relationship to that person? <u>N/A</u>	
	7. Are you claiming service connection for cause of death? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	8. What is the veteran's name? <u>Carlton</u> <u>E</u> <u>Maroon</u> First Middle Last    Suffix (if applicable)	
<b>SECTION II</b>  <b>Tell us about you and the deceased veteran</b>   Attach a copy of the death certificate unless the veteran died in active service of the Army, Navy, Air Force, Marine Corps, or Coast Guard, or in a U.S. government institution.	9. What is the veteran's Social Security number? <u>555-11-0000</u>	10a. Did the veteran serve under another name? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If "Yes," answer Items 10b)
	10b. Please list the other name(s) the veteran served under: <u>N/A</u>	11. What is the veteran's date of birth? <u>10/31/1943</u> mo day yr
	12. What is the veteran's date of death? <u>07/11/2006</u> mo day yr	13. Was the veteran a former prisoner of war? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	14. What is your name? (First, Middle, Last Name) <u>Elizabeth M. Maroon</u>	15. What is your relationship to the veteran? (check one) <input checked="" type="checkbox"/> Surviving Spouse <input type="checkbox"/> Child
	16. What is your address? <u>101 Somewhere St.</u> Street address, Rural Route, or P.O. Box    Apt. number <u>Mytown</u> <u>Ca</u> <u>99555</u> <u>USA</u> City    State    ZIP Code    Country	
	17. What are your telephone numbers? (Include Area Code) Daytime <u>(209) 555-1212</u> Evening <u>(209) 555-1212</u>	18. What is your e-mail address? <u>NONE</u>
	19. What is your Social Security number? <u>11-555-0000</u>	20. What is Your date of birth? <u>10/02/1945</u> mo day yr

VAFORM  
JUN 2005

**21-534**

SUPERSEDES VA FORM 21-534, JUNE 1998,  
WHICH WILL NOT BE USED.

21-534

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<b>SECTION III Tell us about the veteran's active duty service</b>  1. Enter complete information for all periods of service. If more space is needed use Item 48 "Remarks."  2. If the veteran never filed a claim with VA, attach the original DD214 or a certified copy for each period of service listed. We will return original documents to you.	<b>Note: Skip to Section IV if the veteran was receiving VA compensation or pension at the time of his/her death.</b>			
	21a. Entered Active Service (first period)  11/12/1960 mo day yr	21b. Place  San Diego, CA	21c. Service Number  11 000 111	
	21d. Left This Active Service  06/14/1968 mo day yr	21e. Place  San Diego, CA	21f. Branch of Service  US NAVY	21g. Grade, Rank, or Rating  E-5
	21h. Entered Active Service (second period)  N/A mo day yr	21i. Place  N/A	21j. Service Number  N/A	
	21k. Left This Active Service  N/A mo day yr	21l. Place  N/A	21m. Branch of Service  N/A	21n. Grade, Rank, or Rating  N/A

<b>SECTION IV Tell us about your and the veteran's marital history</b>  Attach a copy of your marriage certificate showing Your marriage to the veteran.	<b>Note: Skip to Section V if the veteran was receiving additional VA benefits for you as his/her spouse at the time of his/her death unless you remarried after the veteran's death.</b>  You must furnish complete information about all marriages of the Surviving spouse and the veteran. If you need additional space, please attach a separate sheet of paper providing the requested information about the marriages.
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## The veteran's marriages

22a. How many times was the veteran married? ONCE

22b. Date of Marriage	22c. Place (city/state or country)	22d. To whom married (first, middle initial, last name)	22e. Date marriage ended	22f. Place (city/state or country)	22g. How marriage ended (death, divorce)
03/12/1962 mo day yr	Angels Camp, CA	Elizabeth M. Mine	07/11/2006 mo day yr	Sonora, CA	Death (Vet)
N/A mo day yr	N/A	N/A	N/A mo day yr	N/A	N/A

**The surviving spouse's marriages. Note: Items 23a through 27 should be completed by the veteran's surviving spouse. If the claimant is not the surviving spouse, skip to Section V.**

23a. How many times were you married? ONCE 23b. Have you remarried since the death of the veteran? ☐ Yes ☒ No

23c. Date of Marriage	23d. Place (city/state or country)	23c. To whom married (first, middle initial, last name)	23C Date marriage ended	23g. Place (city/state or country)	23h. How marriage ended (death, divorce)
03/12/1962 mo day yr	Angels Camp, CA	Everett C. Maroon	07/11/2006 mo day yr	Sonora, CA	Death (Vet)
N/A mo day yr	N/A	N/A	N/A mo day yr	N/A	N/A



**SECTION IV Tell us about your and the veteran's marital history (continued)**

<p>Answer Item 24 Only if You were married to the veteran for less than one year.</p>	<p>24. Was a child born to You and the veteran during your marriage or prior to Your marriage?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>25. Are You expecting the birth of a child of the veteran?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>26. Did you live continuously with the veteran from the date of marriage to the date of his/her death?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(If "No" answer Item 2 7)</p>	<p>27. What was the cause of the separation?"</p> <p>Give the reason, date(s), and duration of the separation. If the separation was by court order, attach a copy of the order.</p>

**SECTION Tell us about the unmarried children of the veteran**

Note: You Should provide a copy of the public record of birth or a copy of the Court record of adoption for each child listed in Item 28a *unless* the veteran was receiving additional VA benefits for the child.

If you need additional space, please attach a separate sheet of paper providing the requested information about each child.

**Note: Skip to Section VI if you are not claiming benefits for any children that meet the following criteria.**

VA recognizes the veteran's biological children, adopted children, and stepchildren as dependents. These children must be unmarried and:

- under age 18, or
- at least 18 but under 23 and pursuing an approved Course of education, or
- of any age if they became permanently unable to support themselves before reaching age 18.

"Seriously disabled" (Item 29c) means that the child became permanently unable to Support himself/herself before reaching age 18. Furnish a statement from an attending physician or other medical evidence which shows the nature and extent of the physical or mental impairment.

Note to Surviving Spouse: If entitlement to DIC is established, a "seriously disabled" child over age 18 is entitled to receive DIC benefits in his or her own right. A veteran's child who is seriously disabled and over age 18 must submit a separate VA Form 21-534 to apply for benefits.

28a. Name of child (First, middle initial, Last)	28b. Date and place of birth (City/State or Country)	28c. Social Security Number	29a. Biological	29b. Adopted	29c. Stepchild	29d. 18 - 23 yrs old and in school	29e. Seriously disabled	29f. Child previously married
	NONE mo day yr		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	N/A mo day yr		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	N/A mo day yr		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SECTION V Tell us about the unmarried children of the veteran (continued)**
**Tell us about the children listed above that don't live with you.**

30a. Name of child (first, middle initial, last)	30b. Child's Complete Address	30c. Name of person the child lives with (if applicable)	30d. Monthly amount you contribute to child's support
NONE			\$
			\$
			\$

**SECTION VI Tell us if you  
are  
housebound,  
in a nursing  
home or  
require aid  
and  
attendance**

It You answered "yes" to Item 31 and are not in a nursing home, submit a statement from your doctor showing the extent of your disabilities. If you are in a nursing home, attach a statement signed by an official of the nursing home showing the date You were admitted to the nursing home, the level of care You receive, the amount You Pay out-of-pocket for Your care, and whether Medicaid covers all or part of your nursing home costs.

<b>31. Are you claiming aid and attendance allowance and/or housebound benefits because you need the regular assistance of another person, are having severe visual problems, or are housebound?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If "No," skip to section VII)</i>	<b>32a. Are you now in a nursing home?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If "Yes," answer Items 32b and 32c also)</i>
<b>32b. What is the name and complete mailing address of the facility?</b>  N/A	<b>32c. Does Medicaid cover all or part Of Your nursing home costs?</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If "No" answer Item 32d also)</i>
<b>32d. Have you applied for Medicaid?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<p><b>SECTION VII</b>    <b>Tell us the net worth of you and your dependents</b></p> <p><b>Note:</b> If you are filing this application on behalf of a minor or incompetent child of the veteran and you are the child's Custodian, You must report Your net worth as well as the net worth of the child for whom benefits are claimed.</p>	<p>VA cannot pay you pension if Your net worth is sizeable. Net worth is the market value of all interest and rights you have in any kind of property less any mortgages or other claims against the property. However, net worth does not include the house you live in or a reasonable area of land it sits on. Net worth also does not include the value of personal things <i>YOU</i> use everyday like your vehicle, clothing, and furniture. You must report net worth for yourself and all persons for whom <i>YOU</i> are claiming benefits.</p> <p>For Items 33a through 33f, provide tile amounts. If none, write "O" or "None."</p>			
<b>Source</b>	<b>Surviving spouse or Custodian of children</b>	<b>Child(ren)</b>		
		<b>Name:</b> <small>(first, middle initial, last)</small>	<b>Name:</b> <small>(first, middle initial, last)</small>	<b>Name:</b> <small>(first, middle initial, last)</small>
33a. Cash, bank accounts, certificates of deposit (CDs)	15,727.00	N/A	N/A	N/A
33b. IRAs, Keogh Plans, etc.	NONE	N/A	N/A	N/A
33c. Stocks, bonds, mutual funds	NONE	N/A	N/A	N/A
33d. Value of business assets	NONE	N/A	N/A	N/A
33e. Real property (not Your home)	NONE	N/A	N/A	N/A
33f. All other property	NONE	N/A	N/A	N/A
<p><b>SECTION VIII</b>    <b>Tell us about the income of you and your dependents</b></p> <p>Payments from any Source will be Counted, unless the law says that they don't need to be counted. Report all income, and VA will determine any amount that does not Count.</p> <p><b>Note:</b> If You are filing this application on behalf of a minor of whom you are the custodian, You must report your income as well as the income of each child for whom benefits are claimed.</p>	<p>Report the total amounts before you take out deductions for taxes, insurance, etc. Do not report the same information in both tables.</p> <p>If you expect to receive a payment, but you don't know how much it will be, write "Unknown" in the space.</p> <p>If you do not receive any payments from one of the sources that we list, write "O" or "None" in the space.</p> <p>If you are receiving monthly benefits, give us a copy of your most recent award letter. This will help us determine the amount of benefits you should be paid.</p>			
	<p>34a. Have you claimed or are you receiving benefits from the Social Security Administration on your own behalf or on behalf of child(ren) in your Custody?</p> <p><input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p><small>(If "Yes," answer item 34b)</small></p>	<p>34b. Is Social Security based on your own employment?'</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p>		
	<p>35. Has a surviving spouse or child filed a claim for compensation from the Office of Worker's Compensation Programs based on the death of the veteran?</p> <p><input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p>	<p>36. Has a court awarded damages based on the death of the veteran or is a claim or legal action for damages pending?</p> <p><input type="checkbox"/> Yes    <input type="checkbox"/> No</p>		
	<p>37. Have you claimed or are you receiving Survivor Benefit Plan (SBP) annuity from a service department based on the death of the veteran?</p> <p><input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p>			

**SECTION VII Tell us about the income of you and your dependents (continued)**

**Monthly Income - Tell us the income you and your dependents receive every month**

Sources of recurring monthly income	Surviving spouse or Custodian of children	Child(ren)		
		Name: (first, middle initial, last)	Name: (first, middle initial, last)	Name: (first, middle initial, last)
38a. Social Security	NONE	N/A	N/A	N/A
38b. U.S. Civil Service	NONE	N/A	N/A	N/A
38c. U.S. Railroad Retirement	NONE	N/A	N/A	N/A
38d. Military Retirement	NONE	N/A	N/A	N/A
38e. Black Lung Benefits	NONE	N/A	N/A	N/A
38f. Supplemental Security Income (SSI)/ Public Assistance	NONE	N/A	N/A	N/A
38g. Other income received monthly (Please write Source below:)	NONE	N/A	N/A	N/A

**Expected income next 12 months - Tell us about other income for you and your dependents**

Report expected income for the 12 month period following the veteran's death. If the claim is filed more than one year after the veteran died, report the expected income for the 12 month period from the date you sign this application.

Sources of income for the next 12 months	Surviving spouse or Custodian of children	Child(ren)		
		Name: (first, middle initial, last)	Name: (first, middle initial, last)	Name: (first, middle initial, last)
39a. Gross wages and salary	NONE	N/A	N/A	N/A
39b. Total dividends and interest	NONE	N/A	N/A	N/A
39c. Other income expected (Please write Source below:)	NONE	N/A	N/A	N/A
39d. Other income expected (Please write Source below:)	NONE	N/A	N/A	N/A

**SECTION IX**

**Tell us about medical, last illness, burial or other unreimbursed expenses**

Family medical expenses and certain other expenses actually paid by You may be deductible from your income. Show the amount of any continuing family medical expenses such as the monthly Medicare deduction or nursing home costs you pay. Also, show Unreimbursed last illness and burial expenses and educational or vocational rehabilitation expenses you paid. Last illness and burial expenses are Unreimbursed amounts paid by you for the veteran's or his/her child's last illness and burial and the veteran's just debts. Educational or vocational rehabilitation expenses are amounts paid for courses of education, including tuition, fees, and materials. Do not include any expenses for which You were reimbursed. If You receive reimbursement after you have filed this claim, promptly advise the VA office handling Your claim. If more space is needed attach a separate sheet.

40a. Amount paid by you	40b. Date Paid	40c. Purpose (Medicare deduction, nursing home costs, burial expenses, etc.)	40d. Paid to (Name of nursing home, hospital, funeral home, etc.)	40e. Relationship of person for whom expenses paid
\$	7/11/2006	Burial Expenses	Terzich & Wilson 225 E. Rose Ave. Sonora, CA 95111	SPOUSE
7,942.25	mo day yr			
\$				
NONE	mo day yr			
\$				
NONE	mo day yr			
\$				
NONE	mo day yr			

**SECTION X**

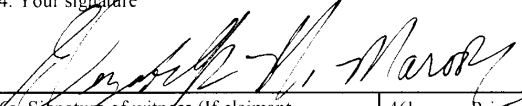
**Give us direct deposit information**

**If benefits are awarded** we will need more information in order to process any payments to you. Please read the paragraph starting with, "All Federal payments..." and then either:

1. Attach a voided check, or
2. Answer questions 41-43 to the right.


All Federal payments beginning January 2, 1999, must be made by electronic funds transfer (EFT) also called Direct Deposit. Please attach a voided personal check or deposit slip or provide the information requested below in Items 41, 42, and 43 to enroll in Direct Deposit. If you do not have a bank account we will give you a waiver from Direct Deposit, just check the box below in Item 41. The Treasury Department is working on making bank accounts available to you. Once these accounts are available, you will be able to decide whether you wish to sign-up for one of the accounts or continue to receive a paper check. You can also request a waiver if you have other circumstances that You feel would cause you a hardship to be enrolled in Direct Deposit. You can write to: Department of Veterans Affairs, 125 S. Main Street Suite B, Muskogee OK 74401-7004, and give us a brief description Of Why You do not wish to participate in Direct Deposit.

41. Account number (Please check the appropriate box and provide that account number, if applicable)	
<input type="checkbox"/> Checking	<input checked="" type="checkbox"/> I certify that I <b>do not</b> have an account with a financial institution or certified payment agent
<input type="checkbox"/> Savings	
Account number _____	
42. Name of financial institution	
_____	
43. Routing or transit number	
_____	

<b>SECTION XI</b> <b>Give us your signature</b>  1. Read the box that starts, "I certify and authorize the release of information."  2. Sign the box that says, "Your signature."  3. If you sign with an "X" then you Must have 2 People you know Witness you as you sign. They must then sign the form and print their names and addresses also.	I certify and authorize the release of information: I certify that the statements in this document are true and complete to the best of my knowledge. I authorize any person or entity, including but not limited to any organization, service provider, employer, or government agency, to give the Department of Veterans Affairs any information about me except protected health information, and I waive any privilege which makes the information confidential.	
	44. Your signature 	45. Today's date 07/11/2006 mo day yr
	46a. Signature of witness (If claimant signed above using an "X")	46b. Printed name and address of witness
	47a. Signature of witness (If claimant signed above Using an "X")	47b. Printed name and address of witness
<b>SECTION XII</b>  <b>Remarks - Use this space for any additional statements that you would like to make concerning your application.</b>   <b>IMPORTANT</b>  <b>Penalty: The law provides severe penalties which include fine or imprisonment, or both, for the willful submission of any statement or evidence of a material fact, knowing it to be false, or for the fraudulent acceptance of any payment which you are not entitled to.</b>	48. Remarks (If you need more space to answer a question or have a comment about as specific item number on this form please identify your answer or statement by the part and item number)	

SAMPLE COPY

OMB Approved No. 2900-0005  
Respondent Burden: 1 hour and 12 minutes

 <b>Department of Veterans Affairs</b>				(DO NOT WRITE IN THIS SPACE) (VA DATE STAMP)	
<b>APPLICATION FOR DEPENDENCY AND INDEMNITY COMPENSATION BY PARENT(S)</b> (Including accrued benefits and death compensation, when applicable)					
Important: Read instructions before completing form. Answer all items fully.					
1. FIRST, MIDDLE, LAST NAME OF DECEASED VETERAN				2. VA FILE NUMBER	
Rock Joe Hudson				XC 21 658 321-00	
ITEM NO.	RELATIONSHIP OF CLAIMANT (Check) (A)	FULL NAME OF CLAIMANT (B)	DATE OF BIRTH (C)	SOCIAL SECURITY NUMBER (D)	
3	<input checked="" type="checkbox"/> Mother	Doris Hudson	06/01/1935	126-28-9612	
	<input type="checkbox"/> Foster Mother				
4	<input checked="" type="checkbox"/> Father	John Hudson	06/18/1932	125-29-9713	
	<input type="checkbox"/> Foster Father				
5A. MAILING ADDRESS OF CLAIMANT(S) (Include No. and street or rural route, City or P.O. State and ZIP Code)			5B. TELEPHONE NUMBER (Include Area Code)		
12 Apple Lane Hollywood, CA 90001			DAYTIME		EVENING
			(209) 555-1212		(209) 555-1212
<b>PART I - INFORMATION RELATING TO VETERAN</b>					
6. SOCIAL SECURITY NUMBER OF VETERAN			7. IF VETERAN PREVIOUSLY APPLIED TO VA FOR ANY BENEFIT, INSERT VA FILE NUMBER, IF KNOWN		
111-00-2222			21 658 321-00		
8. DATE OF BIRTH		9. DATE OF DEATH		10. PLACE OF DEATH	
01/12/1951		01/06/1970		VIETNAM	
NOTE: The following information should be furnished for each period of the veteran's active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States or service as a commissioned officer in the National Oceanic and Atmospheric Administration, including officers of the Coast and Geodetic Survey and Environmental Science Services Administration or Public Health Service.					
11 A. ENTERED ACTIVE SERVICE		11B. SERVICE NUMBER	11 C. SEPARATED FROM ACTIVE SERVICE		11D. GRADE, RANK OR RATING ORGANIZATION AND BRANCH OF SERVICE
DATE	PLACE		DATE	PLACE	
08/02/1969	OAKLAND, CA	53 126 892	01/06/1970	Vietnam (KIA)	E-3 US ARMY
12. IF VETERAN SERVED UNDER A NAME OTHER THAN THAT SHOWN IN ITEM 1, GIVE FULL NAME, BRANCH OF SERVICE AND SERVICE DATES					
NONE					
<b>PART II INFORMATION RELATING TO PARENTS OF VETERAN</b>					
13. NAME OF MOTHER			14. NAME OF FATHER		
Doris Hudson			John Hudson		
15. NAME OF FOSTER MOTHER (If none, write "NONE")			16. NAME OF FOSTER FATHER (If none, write "NONE")		
NONE			NONE		
17A. NAME(S) OF DECEASED PERSON(S) NAMED IN ITEMS 13 THRU 16 (If any, complete Item 17B)				17B. DATE(S) OF DEATH	
NONE				N/A	
18. WAS THE VETERAN A MEMBER OF YOUR HOUSEHOLD OR UNDER YOUR PARENTAL CONTROL AT ALL TIMES BEFORE THE VETERAN REACHED THE AGE OF MAJORITY?				19. DATES OF PARENTAL CONTROL	
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO (if "No" complete Items 19, 20 and 21)				A. BEGAN	
				B. ENDED	
20. REASON VETERAN WAS NOT A MEMBER OF YOUR HOUSEHOLD OR UNDER YOUR PARENTAL CONTROL AT ALL TIMES BEFORE THE VETERAN REACHED THE AGE OF MAJORITY (Explain fully)					
N/A					
21. NAME AND ADDRESS OF EACH PERSON WHO ASSUMED PARENTAL CONTROL OVER VETERAN AFTER DATE SHOWN IN ITEM 19B					
N/A					
<b>IMPORTANT - YOU MUST SIGN AND DATE THIS FORM AT THE BOTTOM OF PAGE 3.</b>					

VA FORM 21-535  
SEP 2000EXISTING STOCK OF VA FORM 21-535, MAR 1995,  
WILL BE USED.

PAGE 1

# DIC

PART III - INFORMATION RELATING TO CLAIMANT(S)					
22. CLAIMANT MARITAL STATUS					
<b>A. MARITAL STATUS (Check one)</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input checked="" type="checkbox"/> <b>MARRIED - LIVING WITH OTHER PARENT OF VETERAN</b>   <input type="checkbox"/> <b>MARRIED - LIVING WITH SPOUSE, WHO IS NOT OTHER PARENT OF VETERAN</b> </div> <div style="width: 48%;"> <input type="checkbox"/> <b>SEPARATED - YOU ARE MARRIED, BUT NOT LIVING WITH SPOUSE</b>  <small>(if checked, complete Items 22B and 22C)</small>   <input type="checkbox"/> <b>NOT MARRIED - NEVER MARRIED, DIVORCED OR WIDOWED</b>  <small>(if divorced, complete Item 22D. If widowed, complete Item 22E)</small> </div> </div>					
<b>B. DATE OF SEPARATION (Mo., Yr.)</b>  <div style="text-align: center;">N/A</div>			<b>C. REASON FOR SEPARATION</b>  <div style="text-align: center;">N/A</div>		
<b>D. DATE DIVORCED</b>  <div style="text-align: center;">N/A</div>			<b>E. DATE WIDOWED</b>  <div style="text-align: center;">N/A</div>		
<b>23. HAVE YOU FILED A CLAIM FOR COMPENSATION FROM THE OFFICE OF WORKERS' COMPENSATION PROGRAMS BECAUSE OF THE VETERAN?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			<b>24. HAVE YOU APPLIED FOR OR ARE YOU RECEIVING OR ENTITLED TO RECEIVE BENEFITS FROM THE SOCIAL SECURITY ADMINISTRATION OR OTHER RETIREMENT PROGRAM?</b> <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		
<b>25. GROSS MONTHLY INCOME, BY SOURCE, INCLUDING ANY MONTHLY DEDUCTIONS FOR TAXES, INSURANCE, MEDICARE, ETC.</b> <small>(If you received no income from a particular source, write "NONE" or "0")</small>					
SOURCE	PARENT	SPOUSE (If living together)	BEGINNING DATE (Mo., Yr.)		
A. SOCIAL SECURITY	\$ 212.00	\$ 218.00	06/01/1987		
B. U.S. CIVIL SERVICE	NONE	NONE	N/A		
C. U.S. RAILROAD RETIREMENT	NONE	NONE	N/A		
D. MILITARY BENEFITS	NONE	NONE	N/A		
E. BLACK LUNG BENEFITS	NONE	NONE	N/A		
F. SSI/PUBLIC ASSISTANCE	NONE	NONE	N/A		
G. ALL OTHER MONTHLY INCOME <small>(Specify source - Give name and address)</small>	NONE	NONE	N/A		
<b>26. ANNUAL INCOME BY CALENDAR YEAR INCLUDING ONE - TIME INCOME AND ANY DEDUCTIONS</b> <small>(If none, write "NONE" or "0")</small>					
<b>IMPORTANT -</b>  Read carefully paragraph E of instructions before answering questions. All items required to be filled in must be answered fully and completely.	<b>INCOME RECEIVED -</b>  include income received from January 1 to date of veteran's death or if claim is filed more than a year after the veteran died, income received from January 1 to date you signed this application.		<b>INCOME EXPECTED -</b>  Include income expected from date of veteran's death to December 31 of that year, or, if claim is filed more than a year after the veteran died, income expected from the date you signed this application to December 31 of the same year.		<b>INCOME EXPECTED FOR NEXT CALENDAR YEAR -</b>  If unable to state exact amounts, give approximate amounts expected.
SOURCE	PARENT	SPOUSE	PARENT	SPOUSE	PARENT
A. EARNINGS	\$ NONE	\$ NONE	\$ NONE	\$ NONE	\$ NONE
B. DIVIDENDS, INTEREST, ETC.	NONE	NONE	NONE	NONE	NONE
C. LIFE INSURANCE	NONE	NONE	NONE	NONE	NONE
D. ALL OTHER INCOME <small>(Specify source, explain in Item 33, Remarks)</small>	NONE	NONE	NONE	NONE	NONE
<b>27. DEDUCTIBLE EXPENSES - ANY UNREIMBURSED EXPENSES OF THE VETERAN'S LAST ILLNESS AND BURIAL PAID BY YOU</b>					
A. NAME AND ADDRESS OF PERSON TO WHOM PAID	B. TOTAL AMT. OF EXPENSE	C. NATURE OF EXPENSE	D. DATE PAID	E. AMOUNT PAID BY YOU	
NONE	\$			\$	
<b>IMPORTANT - YOU MUST SIGN AND DATE THIS FORM AT THE BOTTOM OF PAGE 3.</b>					



# DIC

PART IV - MISCELLANEOUS INFORMATION	
28. HAVE YOU PREVIOUSLY FILED A CLAIM WITH VA BASED ON YOUR OWN SERVICE OR THE SERVICE OF ANY OTHER VETERAN	
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (If "Yes," complete Items 29 thru 32)	
29. NAME OF PERSON ON WHOSE SERVICE CLAIM WAS MADE	30. RELATIONSHIP TO CLAIMANT
N/A	N/A
31. VA FILE NUMBER	32. OFFICE WHERE CLAIM WAS FILED (City and State)
N/A	N/A
33. REMARKS (If additional space is needed, use reverse of this page)	
CERTIFICATION AND SIGNATURE OF CLAIMANT(S)	
I CERTIFY THAT the foregoing statements are true and correct to the best of my knowledge and belief.	
34. SIGNATURE OF MOTHER, FOSTER MOTHER, GUARDIAN OR CUSTODIAN	35. DATE
<i>Doris Hudson</i>	01-07-05
36. SIGNATURE OF FATHER, FOSTER FATHER, GUARDIAN OR CUSTODIAN	37. DATE
<i>John Hudson</i>	01-07-05
WITNESS TO SIGNATURE OF CLAIMANT IF MADE BY "X" MARK	
NOTE: A signature by mark must be witnessed by two persons who know the person making the signature by mark. The witnesses must sign their names in Items 38A and 39A and print their names and addresses in Items 38B and 39B.	
38A. SIGNATURE OF WITNESS	38B. PRINTED NAME AND ADDRESS OF WITNESS
39A. SIGNATURE OF WITNESS	39B. PRINTED NAME AND ADDRESS OF WITNESS
PENALTY - The law provides severe penalties which include fine or imprisonment, or both for the willful submission of any statement or evidence of a material fact, knowing it to be false, or for the fraudulent acceptance of any payment to which you are not entitled.	

PAGE 3

**DIC**

**— Notes —**

**DIC**

**— Notes —**

## DIC

### Study Questions:

Using the assigned references and reading materials, answer the following questions:

1. During his lifetime the veteran established service connection for a psychiatric condition, rated as 50% disabling. He died by suicide. Is the death service-connected? (Y/N)
2. The surviving spouse's family income from all sources is a factor in determining the DIC monthly rates payable. (T/F)
3. The veteran dies of a service-connected disability. He and his spouse were only married for ten months; however, the spouse was six months pregnant when he died. When is the spouse eligible for DIC?
4. The remarriage of a deceased veteran's widowed mother is an automatic bar to further payment of parents' DIC. (T/F)
5. The veteran was permanently retired from service for disability because of a heart condition. The veteran filed a disability claim with VA, which assigned a rating of 100% from the date of retirement from service. Six years after leaving service, he is killed in an automobile accident. Is the surviving spouse eligible for DIC? (Y/N)
6. Deceased veteran's mother has applied for DIC. She reports income from Social Security only. She also reports owning a parcel of land (not her residence) valued at \$50,000, but states she does not receive any income from the property. Will this affect her eligibility to DIC? (Y/N)
7. Vietnam veteran did not file a claim for disability during his lifetime. He died three months ago, from prostate cancer, for which he was treated at a VA medical facility. Physician's notes in 1997 report the veteran as saying that he felt his cancer was "somehow related to Agent Orange from Vietnam, and he should see if VA would give him any benefits for it." The surviving spouse has submitted a VA Form 21-534.
  - a. Is/was the death service-connected? (Y/N)
  - b. Are there any accrued benefits payable? (Y/N)

## **DIC**

8. The veteran's highest pay grade on active duty was brigadier general. He died in 1998, from service-connected causes. He was rated 100% for ten years prior to death. What regulation determines the DIC rate for the surviving spouse?
9. If a surviving spouse who was previously eligible for DIC remarries and then the remarriage is terminated, can DIC benefits be reinstated? (Y/N)